

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT:

A.P. Port Department – Cancellation of Appointment of Financial Auditor for Gangavaram Port near Visakhapatnam for 3 years commencing from 2010-11– Orders – Issued.

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INFRASTRUCTURE AND INVESTMENT (PORTS.II) DEPARTMENT

G.O. Ms. No. 5

Dated: 19-3-2012

Read the following:

- 1) G.O. Ms. No.5, I&I (Ports.II) Dept., dated: 8-4-2011
- 2) Govt. letter No. 304/Ports.II/2011-1, dated: 15-9-2011.
- 3) From the General Manager (Privatisation & Concessions), Rites Limited letter No. P&C/APP/2011-12, dated: 20-9-2011.
- 4) From the Director of Ports, Kakinada letter No. DoP/D3/2307/2011, dated:29-10-2011.
- 5) From the Senior Audit Officer, O/o AG (CA) letter No. PA-12/I&I, Dept./2011-12/AE No.42, dated: 28-11-2011.
- 6) From the Director of Ports, Kakinada letter No. DoP/D2/2201/2009, dated:15-12-2011

ORDER:

In the G.O. 1st read above, orders were issued appointing M/s RITES Ltd., New Delhi as Financial Auditor with a payment of Rs.35.00 lakhs per annum for a period of 3 years commencing from 2010-2011 to audit the accounts of M/s Gangavaram Port Ltd.

2. In the letter 2nd read above M/s RITES were requested to inform whether they are the empanelled auditor with RBI and if so to furnish a copy of the order. In their letter 3rd read above, M/s RITES limited clarified that they are not empanelled auditor with Reserve Bank of India but an Empanelled Transaction Advisor with the Ministry of Finance for providing advisory services in respect of development of PPP projects.

3. In the letter 4th read above the Director of Ports has also reported that he has observed the following in respect of Kakinada Deep Water Port:

- (i) M/s RITES is not empanelled Auditor with Reserve Bank of India.
- (ii) M/s RITES have taken up both the Financial and Performance Audit.
- (iii) They do not have any in-house expertise in financial auditing.

4. Keeping in view the above and also observations of audit in this regard, Government have reviewed the appointment of M/s RITES Ltd as Financial Auditor for Gangavaram Port and after careful consideration have decided to cancel the orders issued in G.O.Ms.No.5, Infrastructure & Investment Department, dated.8-4-2011 appointing M/s RITES as Financial Auditor for Gangavaram Port for a period of 3 years commencing from 2010-2011.

5. Accordingly, the orders issued in G.O.Ms.No.5, Infrastructure & Investment (Ports.II) Department, dated 8-4-2011 are hereby Cancelled. Further, Director of Ports is directed to submit proposal for appointment of Financial Auditor, from the panel furnished by O/o the Comptroller and Auditor General of India, immediately.

6. This order issues with the concurrence of Finance Department vide their U.O.No.35358.A/1286/ A2/Exp.PW/11, dated 23-1-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SUTIRTHA BHATTACHARYA
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Director of Ports, Kakinada

The General Manager (Privatisations & Concessions), RITES Limited through the Director of Ports, Kakinada.

The Chairman and Managing Director, Gangavaram Port Limited, Hyderabad.

The District Treasury Officer, Kakinada, East Godavari District.

Copy to: The Vice Chairman & Managing Director, InCAP, Hyderabad.

“ The Principal Accountant General, A.P., Hyderabad.

“ The Finance (Exp.PW) Department.

//FORWARDED :: BY ORDER//

SECTION OFFICER